



## PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

**Referred by:** Australian Labor Party      **Proposal No:** C1396  
**Date Referred:** 13/02/2023      **Date Published:** 20/03/2023  
**Proposal Title:** Not Proceed with Murwillumbah Education Campus project  
**Cluster:** Education

### General Government Sector Impacts

	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	-	-	-	-
Depreciation	-	-	-	-	-
Less: Offsets					-
Revenue					-
<b>Net Operating Balance:</b>	-	-	-	-	-

Capital Expenditure	-	(65,571)	(17,931)	-	(83,502)
Capital Offsets					
<b>Net Capital Expenditure:</b>	-	(65,571)	(17,931)	-	(83,502)

<b>Net Lending/(Borrowing):</b>	-	<b>65,571</b>	<b>17,931</b>	-	<b>83,502</b>
---------------------------------	---	---------------	---------------	---	---------------

### Total State Sector Impacts

<b>Net Lending/(Borrowing):</b>	-	<b>65,571</b>	<b>17,931</b>	-	<b>83,502</b>
---------------------------------	---	---------------	---------------	---	---------------

#### Notes and costing assumptions:

The policy proposes to cancel the planned Murwillumbah Education Campus project.

The Parliamentary Budget Office (PBO) has prepared this costing after consulting with the Department of Education (DoE) and NSW Treasury. The total budget allocation for the project Murwillumbah Education Campus is \$150.5 million to FY 2024-25.

The DoE advised the planned Murwillumbah Education Campus building project is for co-located primary and secondary schools with some shared facilities. The project derives some efficiencies from this shared delivery model. \$23.4 million has already been spent to date and a further \$43.6 million is subject to further contractual commitments.

**Notes and costing assumptions continued:**

The PBO notes that if the policy to cancel the Murwillumbah Education Campus project was to proceed in April 2023, a saving of up to \$83.5 million may be available as shown below.

<b>Murwillumbah Education Campus project</b>	<b>\$'000</b>
Budget allocations	150,500
<i>Less: Spend to January 2023</i>	23,392
<i>Less: Further Current Contractual Commitments</i>	43,606
<b>Saving</b>	<b>83,502</b>

The PBO notes there may be other costs that result from cancelling the project such as unknown contract penalties or bid reimbursement costs (subject to Government consideration).